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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Before Commissioners: Ruth Y. Goldway, Chairman;

Nanci E. Langley, Vice Chairman;

Mark Acton;

Tony Hammond; and

Robert G. Taub

Competitive Product Prices Inbound Air Parcel Post (at UPU Rates) (MC2010-11) Docket No. CP2013-27

NOTICE AND ORDER CONCERNING CHANGES AFFECTING INBOUND AIR PARCEL POST (AT UPU RATES)

(Issued December 17, 2012)

I. INTRODUCTION

Notice of filing. On December 14, 2012, the Postal Service filed a notice announcing its intention to change rates for Inbound Air Parcel Post (at Universal Postal Union (UPU) Rates). The Notice does not include any classification changes. *Id.* at 2. The intended effective date of the rate changes is January 1, 2013. The timing of the filing comports with the requirement, in 39 CFR 3015.5, that notice of this type of change be submitted at least 15 days before the effective date.

¹ Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability and Application for Non-Public Treatment of Materials Filed Under Seal, December 14, 2012 (Notice). The Notice was filed pursuant to 39 CFR 3015.5. Notice at 1.

Background. The Commission approved the Postal Service's request to add Inbound Air Parcel Post (at UPU Rates) to the competitive product list in Order No. 362, following consideration in Docket No. MC2010-11.² The request was based on Governors' Decision No. 09-15. Notice at 1.

II. CONTENTS OF FILING

This filing includes a Notice, along with the following attachments:

- Attachment 1-an application for non-public treatment of material filed under seal;
- Attachment 2–a redacted copy of Governors' Decision No. 09-15;
- Attachment 3–a redacted copy of the new rates; and
- Attachment 4—a copy of the certification required under 39 CFR 3015.5(c)(2).

The material filed under seal consists of unredacted copies of the referenced Governors' Decision, the new rates and related financial information. *Id.* at 3. The Postal Service filed redacted versions of the sealed financial documents in public Excel spreadsheets. *Id.* at 2.

Classification and rates. The Notice incorporates by reference previous explanations (1) concerning the UPU Postal Operations Council's mechanism for setting base rates for Inbound Air Parcel Post, and (2) the formal nature of the Governors' Decision establishing those rates for purposes of statutory compliance. *Id.*

The Postal Service asserts that the prices comport with the Governors' Decision No. 09-15 as they are the highest possible inward land rates that the Postal Service is eligible for based on inflation increases and other factors. *Id* at 2-3. It also asserts that it has met its burden of providing notice to the Commission of changed rates within the scope of Governors' Decision No. 09-15, as required by 39 U.S.C. 3632(b)(3). *Id.* at 3.

² Docket Nos. MC2010-11 and CP2010-11, Order Adding Inbound Air Parcel at UPU Rates to Competitive Product List, December 15, 2009 (Order No. 362).

III. COMMISSION ACTION

The Commission establishes Docket No. CP2013-27 for consideration of matters raised in the Notice. Interested persons may submit comments on whether the Agreement is consistent with the requirements of 39 CFR 3015.5 and the policies of 39 U.S.C. 3632 and 3633. Comments are due no later than December 26, 2012. The public portions of the Postal Service's filing can be accessed via the Commission's website at http://www.prc.gov. Information on how to obtain access to nonpublic material appears at 39 CFR 3007.40.

The Commission appoints James F. Callow to represent the interest of the general public (Public Representative) in this case.

VI. ORDERING PARAGRAPHS

It is ordered:

- 1. The Commission establishes Docket No. CP2013-27 for consideration of matters raised in the Postal Service's Notice.
- Pursuant to 39 U.S.C. 505, the Commission designates James F. Callow to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
- 3. Comments are due no later than December 26, 2012.
- 4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove Secretary